



**Washington State
Department of Transportation**
Douglas B. MacDonald
Secretary of Transportation

Transportation Building
310 Maple Park Avenue S.E.
P.O. Box 47300
Olympia, WA 98504-7300

360-705-7000
TTY: 1-800-833-6388
www.wsdot.wa.gov

October 8, 2004

Douglas Management Co.
Attn: Corporate Secretary
18000 International Boulevard, Suite 800
Seattle, WA 98188-4255

Re: Rental Agreement No. RA-1-11449
I.C. #1-17-03022

Dear Tenant:

Enclosed is a copy of your Ground Lease with the Washington State Department of Transportation.

The rental account currently has an outstanding balance due in the amount of \$7,420.76. Please return the enclosed Rental Statement along with your payment in the enclosed self-addressed envelope.

If you have any questions or concerns regarding this Lease, please feel free to give me a call at (360) 705-7338.

Sincerely,

A handwritten signature in cursive script that reads "Wendy Johnson".

WENDY JOHNSON
Property Agent

Enclosure

GROUND LEASE

RA 1-11449

IC 1-17-03022

Fed. Aid No. F-99 ()

SR 99, Duwamish Waterway Vicinity

The WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, hereinafter called the "State," and serving in the capacity of Landlord pursuant to RCW 47.12.120 does hereby lease, demise and let unto DOUGLAS MANAGEMENT CO., an Alaska Corporation, hereinafter called "Tenant," that certain property (the Leased Premises) located in King County, State of Washington, and described below and/or shown hachured on Exhibit "A" attached hereto and by this reference incorporated herein.

The Leased Premises consists of \pm 50,408 square feet of land.

1. **Term.** The term of this Lease shall commence on June 1, 2003 and shall be a month-to-month tenancy.
2. **Rent.** Tenant hereby covenants and agrees to pay rent for the Leased Premises to the State in advance on or before the 1st day of each calendar month during the entire term of this Lease. Rent shall be paid at the initial rate (subject to adjustment as hereinafter provided) of One Thousand Ninety and No/100 Dollars (\$1,090.00) per month and One Hundred Thirty Nine and 96/100 Dollars (\$139.96) Washington State Leasehold Excise Tax, for a total monthly payment of One Thousand Two Hundred Twenty Nine and 96/100 Dollars (\$1,229.96), beginning on the 1st day of June, 2003.

All payments are to be made payable to Washington State Department of Transportation, on or before the above due date and mailed or delivered to the Washington State Department of Transportation, Transportation Bldg., P.O. Box 47339, Olympia, Washington 98504-7339, Attn.: Assistant Director Property Management.

3. **Rent Adjustments.** The STATE may, at its option, adjust the monthly rent every year by either (A.) the percentage change that occurred during the preceding calendar year in the U.S. Consumer Price Index for All Urban Consumers (U.S. CPI-U), using the data as published by the United States Department of Labor's Bureau of Labor Statistics, or its successor; Provided, that in the event such index is discontinued the parties hereto shall select and use for such adjustment purpose, a similar index that reflects consumer price changes generally recognized as an authority by financial and insurance institutions (By way of illustration only, if the Base CPI is 190 and the CPI figure for the fourth calendar month before the adjustment year is 195, then the rent for that year shall be increased by 2.63 percent); or (B.) in an amount that reflects changes in comparable rents as identified in an appraisal conducted by the STATE. The STATE shall give not less than thirty (30) days prior written notice to TENANT that a Rent Adjustment has been made. This notice shall include the amount of the adjusted Rent and the date the new Rent is to become effective. Failure or refusal by the TENANT to pay the adjusted rental rate shall

constitute a default of this Lease for which the STATE may terminate with not less than five (5) days prior written notice.

4. **Charge for Late Payment, NSF Checks.** If any payment of rent or if any other sum due to the State is not received by the State on or before the due date, a late charge of one percent (1%) of the total rent due and unpaid plus a \$25.00 administration fee shall be added to the amount due and the total sum shall become immediately due and payable to State. Each additional month that the rent due goes unpaid shall be subject to a late charge of one percent (1%) of the total rent due plus an administration fee of \$25.00. Also, there shall be a charge for any check returned uncollectable in accordance with WAC 468-20-900. The State and Tenant agree that such charges represent a fair and reasonable estimate of the costs incurred by the State by reason of late payments and uncollectable checks.

When a delinquency exists, any payment received will be applied first to the delinquency, including late payment fees, with the remainder applied toward rent and Leasehold Excise Tax, when applicable.

The State's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction, waiver, or compromise of such payment unless specifically agreed to in writing by the State.

5. **Termination by State.** The State may terminate this Lease, without penalty or further liability as follows:
- A. Upon five (5) days written notice to Tenant, if Tenant fails to cure a default for payment of amounts due under this Lease within that 5-day period.
 - B. Upon thirty (30) days written notice to Tenant, if Tenant defaults other than non-payment of rent, and fails to cure such default within that thirty (30) day period, or such longer period, as may be reasonable determined by the State, if Tenant is diligently working to cure the default;
 - C. Immediately if an emergency exists and State determines that it is in the best interest of the State to terminate.
 - D. Upon thirty (30) days written notice for any reason.

Tenant will quit and surrender the Leased Premises forthwith in as good and sanitary condition as reasonable use and wear and tear thereof permit.

6. **Termination by Tenant.** Tenant may terminate this Lease without penalty or further liability as follows:
- A. Upon thirty (30) days written notice for any reason;

B. Upon thirty (30) days written notice, if the State defaults and fails to cure such default within that thirty (30) day period, or such longer period, as may be reasonably determined by Tenant, if the State is diligently working to cure the default.

7. **Utilities/Assessments.** The Tenant agrees to promptly pay all bills for utilities or other services supplied to the Leased Premises in addition to the above rent. All assessments and charges not specifically assumed by the State herein are the obligation of and payable by the Tenant.
8. **Relocation.** The Tenant acknowledges that this Lease does not at any time entitle the Tenant to assistance under the Uniform Relocation and Real Property Acquisition Policy Ch. 8.26 RCW.
9. **Use of Leased Premises.** No uses other than storage of empty cargo and shipping containers with related equipment, and the construction of a temporary weight scale to facilitate loading and unloading gravel shall be permitted without the prior written approval of the State. Tenant agrees to provide 24 hour emergency access to the leased premises. In using the Leased Premises, it is expressly agreed that Tenant must (a) comply with all applicable federal, state and local laws, ordinances, including environmental requirements that are in force or which may hereafter be in force, and (b) secure all necessary permits and licenses. Direct access to ramps or traveled lanes of limited access highways is not permitted. All grading and construction plans and any changes thereof are subject to prior written approval by the State. Tenant shall not commit or allow to be committed any waste upon the Leased Premises or any public or private nuisance.
10. **State's Reservation of Right to Maintain and Grant Utility Franchises, and Permits.** State reserves the right for utility franchise and permit holders to enter upon the Leased Premises to maintain, repair and enhance existing facilities and install new utilities and, for itself, to grant utility franchises and/or permits across the Leased Premises. Such installation will be accomplished in such a manner as to minimize any disruption to the Tenant. The franchise/permit holder will be required to restore paving, grading and other damages caused by the installation.

The Tenant will not disturb markers installed by a franchise/permit holder and will contact and provide notice to any franchise/permit holder and all owners of underground facilities prior to any excavation. Tenant shall contact the State and call the Underground Utility Locating Service, or its successor organization as part of its efforts to ascertain any and all owners of underground utility facilities and to locate the utility. The Tenant shall not damage legally installed underground utilities. Tenant shall comply with all applicable provisions of Ch. 19.122 RCW relating to underground facilities.

11. **Improvements.** State shall not be required to make any improvements to or perform any maintenance or repairs upon any part of the Leased Premises. Tenant has requested and received State approval to secure the Leased Premises with a fence. Additionally, tenant will bring the Leased Premises to grade with a 2" minimum application of ¾ inch minus crushed rock and pave the Leased Premises with asphalt. No additional improvements may be placed upon the Leased Premises by the Tenant without prior written approval of

the State. All such improvements placed upon the Leased Premises by the Tenant shall be removed by the Tenant at his own expense upon termination of this Lease. All improvements left upon the property after termination shall become the sole property of the State, or if not accepted by the State, may be removed from the Leased Premises at Tenant's expense. The Tenant shall reimburse the State for all expenses incurred in such removal and disposal within thirty (30) days of the date of the State's invoice for such costs.

12. **State's Right of Entry and Inspection.** The State, for itself, its agents and contractors, and for the Federal Highway Administration, reserves the right to enter upon the Leased Premises at any time without notice to the Tenant for the purpose of inspection, maintenance, construction, or reconstruction of the highway facility or any element thereof, or to perform environmental audits as provided for elsewhere in the Lease. Any loss of the use of the Leased Premises due to the State's exercise of such right will be compensated for solely by a pro rata reduction of rent. The State shall in no way be responsible for any incidental or consequential damages due to such loss of use by the Tenant. The State and the Federal Highway Administration may from time-to-time go upon the Leased Premises for the purpose of inspecting any excavation, construction, or maintenance work being done by the Tenant. Entry upon the Leased Premises for any other purpose by the State and the Federal Highway Administration shall be conducted with reasonable notice to the Tenant and during the hours of 8:00 a.m. to 5:00 p.m.
13. **Maintenance.** The Tenant shall perform or cause to be performed at Tenant's expense all maintenance of the Leased Premises which will include, but not be limited to, control of noxious weeds, litter, dust, and erosion, and must keep the Leased Premises in good condition, both as to safety and appearance, to the satisfaction of the State. Tenant must keep dust settled, and must not kill the existing cover unless the intent is to establish new growth.
14. **Hold Harmless/Indemnification.** Tenant, its successors or assigns, will protect, save and hold harmless the State, its authorized agents and employees, from all claims, actions, costs, damages or expenses of any nature whatsoever by reason of the acts or omissions of the Tenant, its assigns, agents, affiliated companies, contractors, licensees, invitees, employees or any person whomsoever arising out of or in connection with any acts or activities related to this Lease, whether those claims, actions, costs, damages, or expenses result from acts or activities occurring on or off the Leased Premises. The Tenant further agrees to defend the State, its agents or employees, in any litigation, including payment of any costs or attorney's fees, for any claims or actions commenced thereon arising out of or in connection with acts or activities related to this Lease, whether those claims, actions, costs, damages, or expenses result from acts or activities occurring on or off the Leased Premises. This obligation shall not include such claims, costs, damages or expenses which may be caused by the sole negligence of the State, or its authorized agents or employees; Provided, that if the claims or damages are caused by or result from the concurrent negligence of (a) the State, its agents or employees, and (b) the Tenant, its agents, invitees, licensees or employees, or involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Tenant or Tenant's agents, invitees, licensees or employees.

The provisions of this paragraph shall survive the termination of this Lease.

15. **Insurance.** At its sole expense, the Tenant and any affiliated companies, as identified in paragraph 19 of this document, using the Leased Premises shall secure and maintain in effect a policy providing public liability insurance issued by an insurer licensed to conduct business in the State of Washington. The insurance policy shall provide liability coverage for any and all claims of bodily injury, personal injury and property damage, arising from the Tenant's use of the Leased Premises. The insurance policy required by this section shall provide coverage of no less than One Million and no/100 Dollars (\$1,000,000.00) bodily injury, personal injury and property damage or combined single limit of liability per occurrence, with a general aggregate limit of no less than Two Million and no/100 Dollars (\$2,000,000.00) per policy period. Such aggregate limits shall apply for this Leased Premises location, and coverage under said policy shall be triggered on an "occurrence basis", not a "claims made" basis.

The coverage required by this section shall be at least as broad as that provided by the most current Commercial General Liability Policy form ISO (Insurance Services Office, Inc.) policy form CG 00 01 07 98 or later, and shall be endorsed to include pollution liability coverage under ISO form CG 00 39 10 90, or a similar form approved by the State in amounts previously stated. State hereby approves the Pollution Buyback Endorsement as shown on Exhibit "B" attached hereto and by this reference incorporated herein. The Tenant shall provide additional endorsements and/or increase the policy limits at its sole cost, when and if State deems it necessary, due to the Tenant's use of the Leased Premises, and/or increase in policy limits, within Ten (10) days of State's written request to do so.

The State shall be named as an additional insured by endorsement of the liability policy/policies required by this section. The endorsement shall require the insurer to provide the State with not less than Thirty (30) days written notice before any cancellation of the coverage required by this section.

Unless approved by the State in advance in writing, the liability coverage required by this section shall not be subject to any deductible or self-insured retentions of liability greater than twenty five thousand and no/100 Dollars (\$25,000.00) per occurrence. The payment of any such deductible or self-insured retention of liability amounts remains the sole responsibility of the Tenant. The State hereby approves the Tenant's One Million and no/100 (\$1,000,000.00) self insured retention of liability coverage.

The Tenant assumes all obligations for premium payment, and in the event of nonpayment, is obligated to reimburse the State the cost of maintaining the insurance coverage and any legal fees incurred in enforcing such reimbursement in the event the Tenant fails to pay the policy premiums.

Coverage, if obtained by the Tenant in compliance with this section, shall not be deemed as having relieved the Tenant of any liability in excess of such coverage.

The Tenant shall provide the State with a certificate of insurance reflecting the insurance coverage required by this section within Ten (10) business days of the execution of this Lease. Such certificates shall also be provided upon renewal of said policies and changes in carriers.

- 16. Environmental Requirements.** Tenant represents, warrants and agrees that it will conduct its activities on and off the Leased Premises in compliance with all applicable environmental laws. As used in this Lease, Environmental Laws means all federal, state and local environmental laws, rules, regulations, ordinances, judicial or administrative decrees, orders, decisions, authorizations or permits, including, but not limited to, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et. seq., the Clean Air Act, 42 U.S.C. § 7401, et. seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et. seq., the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 11001, et. seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et. seq., the Toxic Substances Control Act, 15 U.S.C. § 2601, et. seq., the Oil Pollution Control Act, 33 U.S.C. § 2701, et. seq., including all amendments and/or revisions to such laws and Washington or any other comparable local, state or federal statute or ordinance pertaining to the environment or natural resources and all regulations pertaining thereto.

Toxic or hazardous substances are not allowed on the Leased Premises without the express written permission of the State and under such terms and conditions as may be specified by the State. For the purposes of this Lease, "Hazardous Substances" shall include all those substances identified as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et. seq., or the Washington Model Toxics Control Act, Ch. 70.105D RCW, et. seq., and shall include gasoline and other petroleum products. In the event such permission is granted, the disposal of such materials must be done in a legal manner by the Tenant.

Tenant agrees to cooperate in any environmental investigations conducted by State staff or independent third parties where there is evidence of contamination on the Leased Premises, or where the State is directed to conduct such audit by an agency or agencies having jurisdiction. Tenant will reimburse the State for the cost of such investigations, where the need for said investigation is determined to be caused by the Tenant's operations. Tenant will provide the State with notice of any inspections of the Leased Premises, notices of violations, and orders to clean up contamination. Tenant will permit the State to participate in all settlement or abatement discussions. In the event that the Tenant fails to take remedial measures as duly directed by a state, federal, or local regulatory agency within 90 days of such notice, the State may elect to perform such work, and the Tenant covenants and agrees to reimburse the State for all direct and indirect costs associated with the State's work where said contamination is determined to have resulted from the Tenant's use of the Leased Premises. Tenant further agrees that the use of the Leased Premises shall be such that no hazardous or objectionable smoke,

fumes, vapor, odors, or discharge of any kind shall rise above the grade of the right of way.

For the purposes of this Lease, "Costs" shall include, but not be limited to, all response costs, disposal fees, investigatory costs, monitoring costs, civil or criminal penalties, and attorney fees and other litigation costs incurred in complying with state or federal environmental laws, which shall include, but not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, et. seq.; the Clean Water Act, 33 U.S.C. § 1251, et. seq.; the Clean Air Act, 42 U.S.C. § 7401, et. seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et. seq.; and the Washington Model Toxics Control Act, Ch. 70.105D RCW, et. seq.

Tenant agrees to indemnify, defend and hold the State harmless from and against any and all claims, causes of action, demands and liability including, but not limited to, any costs, liabilities, damages, expenses, assessments, penalties, fines, losses, judgments and attorneys' fees associated with the existence of, and/or removal or remediation of any Hazardous Substances that have been released, or otherwise come to be located on the Leased Premises, including those that may have migrated from the Leased Premises through water or soil to other properties, including without limitation, the adjacent State Property and which are caused by or result from Tenant's activities on the Leased Premises. Tenant further agrees to retain, indemnify, defend, and hold the State harmless from any and all liability arising from the offsite disposal, handling, treatment, storage or transportation of any Hazardous Substances removed from the Leased Premises.

The provisions of this paragraph shall survive the termination of this Lease.

17. **Nondiscrimination.** The Tenant, for itself, its successors and assigns as part of the consideration hereof, does hereby covenant and agree to comply with all civil rights and antidiscrimination requirements of Chapter 49.60 RCW.
18. **Default.** At any time after the occurrence of a default or defaults under this Lease and while any such default remains unremedied, the State shall have the option of giving notice in writing of its intention to terminate this Lease by personal service upon, or by written notice directed to the Tenant. Such notice of intention to terminate shall specify the default or defaults then outstanding. Waiver or acceptance of any default of the terms of this Lease by the State shall not operate as a release of the Tenant's responsibilities for any prior or subsequent default.

After the expiration of five (5) days for non payment of rent and thirty (30) days from the giving of such notice in the case of any other default, if one or more defaults described in such notice then remains unremedied, this Lease shall terminate without further notice and all rights of the Tenant shall cease. The State may in writing, at its option, extend the above period, if in the judgment of the State, an extension is justified.

If the Tenant defaults on any provision in this Lease, such as the timely payment of rent three (3) times within twelve (12) months, then the third default shall be deemed noncurable and the Lease may be terminated by the State on thirty days notice.

19. **Assignment.** State and Tenant agree Tenant may act as Property Manager for affiliated companies which will include, but may not be limited to Alaska Marine Lines, Inc., Knik Construction Co., and Bering Marine Corp., which may use the Leased Premises as stipulated in Section 9 herein. Tenant agrees to obtain the State's written approval for any other affiliated companies not identified by name herein to use the Leased Premises. In the event that the Tenant allows others to use any portion of the Leased Premises, whether by written or verbal agreement without the State's prior written approval, the State, in addition to or in lieu of terminating this Lease for default, and in addition to any damages it may experience, may demand a share of any revenue generated by such unauthorized use. The State shall set the amount of said share and its decision shall be final and binding. The State may demand such share at any time. The Tenant shall pay said share to State within thirty (30) days of demand. The Tenant agrees to pay said share retroactively to the date the unauthorized third party use commenced. Furthermore, such unauthorized assignment shall not relieve the Tenant hereunder from all of its obligations under this Lease, including but not limited to, payment of rent and maintenance of insurance.
20. **Restoration of Site.** Tenant agrees to remove asphalt paving, fencing and the temporary weight scale prior to termination of this Lease if so directed by the State, and to restore the Leased Premises to its condition prior to Tenant's occupancy, reasonable wear and tear excepted. This work is to be done at the Tenant's expense to the satisfaction of the State.
21. **Vacation of Leased Premises.** Upon termination of this Lease, the Tenant shall cease its operations on and/or use of the Leased Premises. In the event the Tenant fails to vacate the Leased Premises on the date of termination, the Tenant shall be liable for any and all costs to the State arising from such failure.
22. **Modifications.** This Lease contains all the agreements and conditions made between the parties hereto pertaining to the rental of the Leased Premises herein described and may not be modified orally or in any other manner other than by an agreement in writing signed by all parties hereto. The receipt of rent by the State, with knowledge of any breach of this Lease by the Tenant, or of any default on the part of the Tenant in the observance or performance of any of the conditions or covenants of this Lease, shall not be deemed to be a waiver of any provision of this Lease. No failure on the part of the State to enforce any covenant or provision herein contained, nor any waiver of any right thereunder by the State, unless in writing, shall discharge or invalidate such covenant or provision or affect the right of the State to enforce the same in the event of any subsequent breach or default.
23. **Totality of Agreement.** It is understood that no guarantees, representations, promises, or statements expressed or implied have been made by the State except to the extent that the same are expressed in the Lease.
24. **Binding Contract.** It is understood that this Lease shall not be valid and binding upon the State unless and until accepted and approved by the Secretary of Transportation or his duly authorized representative.

25. **Interpretation.** This Lease shall be governed by and interpreted in accordance with the laws of the State of Washington. The titles to paragraphs or sections of this Lease are for convenience only, and shall have no effect on the construction or interpretation of any part hereof.
26. **Severability.** In case any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
27. **Attorney Fees.** The substantially prevailing party in any action or proceeding brought to enforce this Lease shall be entitled to recover its reasonable attorneys' fees, costs, and expenses in connection with such action or proceeding from the other party.
28. **Venue.** Tenant agrees that the venue of any action or suit concerning this Lease shall be in the Thurston County Superior Court, and all actions or suits thereon shall be brought therein, unless applicable law provides otherwise.
29. **Notices.** Wherever in this Lease written notices are to be given or made, they will be served, personally delivered or sent by certified mail or overnight mail addressed to the parties at the address provided below, unless a different address is designated in writing or delivered to the other party. The Tenant agrees to accept service of process at the address provided in this paragraph; Provided that such address is located in the State of Washington. Otherwise, the Tenant designates the Secretary of the State of Washington as an agent for the purpose of service of process. Such service shall be deemed personal services.
- STATE: DEPARTMENT OF TRANSPORTATION
 Attn: Assistant Director Property Management
 Transportation Building
 P.O. Box 4-7338
 Olympia, WA 98504-7338
- TENANT: DOUGLAS MANAGEMENT CO.
 Attn: Corporate Secretary
 18000 International Boulevard, Suite 800
 Seattle, WA 98188-4255
30. **Counterparts.** This Lease may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect.

CORPORATE ACKNOWLEDGMENT

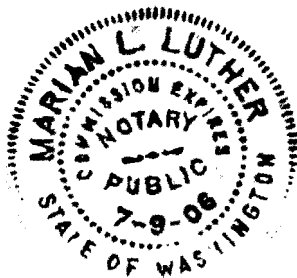
STATE OF WASHINGTON

)
) ss
)

COUNTY OF

On this 30th day of September, 2004 before me personally appeared David R. DeWalt to me known to be the President of Douglas Management Co. the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

GIVEN under my hand and official seal the day and year last above written.



Marian L. Luther
(Signature)

Marian L. Luther
(Print or type name)

Notary Public in and for the State of Washington

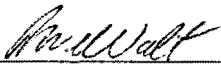
residing at Kirkland, WA

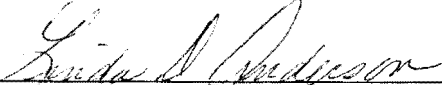
My commission expires 7/9/06

31. **Ratification.** The execution of this Lease shall constitute a ratification of that earlier verbal agreement between the parties, the terms and conditions of which are contained herein. Accordingly, the beginning date of performance under this Lease shall be June 1, 2003, regardless of the date of execution. Tenant shall be responsible for payment of rent according to the terms of this Lease from that date.


Douglas Management Co.

Washington State Department
of Transportation

By: 
Print Name: DAVID R. DELIA
Title: PRESIDENT
Date: 9/30/2004

By: 
Gerald L. Gallinger
Director, Real Estate Services
Date: 8 October 2004

Any material modification requires additional approval
of the Office of the Attorney General.

By: 
Susan Cruise Assistant Attorney General

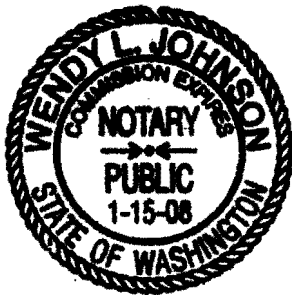
Date 10-7-04

STATE AGENCY ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss
COUNTY OF Thurston)

On this 8th day of October, 2004 before me
personally appeared ^{Linda D. Anderson} Gerald L. Gallinger, to me known to be the duly appointed ^{Acting} Real Estate
Services Director, and that he executed the within and foregoing instrument and acknowledged
the said instrument to be the free and voluntary act and deed of said State of Washington, for the
uses and purposes therein set forth, and on oath states that he was authorized to execute said
instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
8th day of October, 2004.



Wendy L. Johnson
(Signature)

Wendy L. Johnson
(Print or type name)

Notary Public in and for the State of Washington

residing at Olympia, Washington

My commission expires 1/15/08

ENDORSEMENT NO. 8

Pollution Buyback Endorsement

It is hereby understood and agreed that this policy shall not apply to any claim arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, alkalis, toxic chemicals, liquids or gases, waste materials, oil or other petroleum substance or derivative (including all oil refuse or oil mixed wastes) or other irritants, contaminants or pollutants into or upon land, the atmosphere, or any watercourse or body of water.

This exclusion shall not apply, however, provided that the Assured establishes that all of the following conditions have been met.

- (a) the occurrence was accidental and was neither expected nor intended by the assured.
An occurrence shall not be considered unintended or unexpected unless caused by some intervening event neither foreseeable nor intended by the assured.
- (b) the occurrence can be identified as commencing at a specific time and date during the term of the policy.
- (c) the occurrence became known to the assured within 72 hours after it's commencement.
- (d) the occurrence was reported in writing to these underwriter within 30 days after having become known to the assured.
- (e) the occurrence did not result from the assured's intentional and willful violation of any government statute, rule or regulations.

Nothing contained in this endorsement shall operate to provide any coverage with respect to;

- 1. loss of, damage to, or loss of use of property directly or indirectly resulting from subsidence caused by sub-surface operations of the Assured;
- 2. removal of, loss of, or damage to sub-surface oil, gas or any other substance;
- 3. fines, penalties;
- 4. any site or location used in whole or in part for the handling, processing, treatment, storage, disposal or dumping of any waste materials or substances or the transportation of any waste materials or substances.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, provisions, agreements or limitations of the above mentioned Policy, other than as above stated.

In Witness Whereof, the Company has caused this endorsement to be signed by a duly authorized representative of the Company.

Authorized Representative

Effective: November 1, 2002

Assured: Lynden, Inc.

Policy No. XPI222703

Exhibit B
Page 1 of 1

WETLANDS MITIGATION AREA				
POINT	ELEVATION	OFFSET	WIDTH	LENGTH
C1	14 403-33.82	30.00 FT.		
C2	14 403-87.82	30.00 FT.		
C3	14 403-38.59	44.77 FT.		
C4	14 403-49.89	49.07 FT.		
C5	14 403-65.93	56.49 FT.		
C6	14 404-89.35	33.84 FT.	86.47	34.27
C7	14 405-46.31	34.84 FT.		
C8	14 405-39.87	40.00 FT.		
C9	14 405-79.53	01.50 FT.		
C10	14 405-87.40	36.27 FT.		
C11	14 405-96.45	36.27 FT.		
C12	14 405-56.00	99.84 FT.		
C13	14 405-57.80	73.17 FT.		
			75.47	50.17

REGION NO.	STATE	FEDERAL AID PROJECT NO.	SHEET NO.
10	WASH.		

WETLANDS MITIGATION AREA

POINT	STATION	OFFSET	RADIUS	LENGTH
B	LS 402+77.34	117.23' LT.		
B3	LS 403+112.20	96.88' LT.		
B2	LS 403+74.58	30.00' LT.	124.70'	91.05'
B4	LS 403+118.44	30.00' LT.		
			78.40'	35.74'
B6	LS 402+95.27	55.87' LT.		
B6	LS 402+64.69	74.89' LT.		

INTERTIDAL AREA

POINT	STATION	OFFSET	RAILS	LENGTH
11	L 8 407-02.00	250.87 FT.		
12	L 8 407-08.56	256.44 FT.		
13	L 8 407-17.28	262.82 FT.		
14	L 8 408-05.04	268.77 FT.		
15	L 8 408-13.76	274.82 FT.		
16	L 8 408-23.03	281.77 FT.		
17	L 8 408-33.84	288.57 FT.		
18	L 8 408-46.32	295.27 FT.		
19	L 8 408-60.32	301.87 FT.		
20	L 8 407-00.84	310.77 FT.		
21	L 8 408-03.79	318.87 FT.		
22	L 8 408-20.70	327.47 FT.		
23	L 8 408-30.36	335.27 FT.		
24	L 8 408-42.19	343.27 FT.		
25	L 8 407-07.19	351.47 FT.		
26	L 8 407-16.19	359.87 FT.		
27	L 8 407-28.27	368.47 FT.		
28	L 8 407-43.19	377.27 FT.		
29	L 8 408-00.84	386.27 FT.		

CITY OF
SEATTLE

TRAFFIC MOVEMENT NOTE:
TRAFFIC MOVEMENT WILL BE PERMITTED
THE HIGHWAY STRUCTURES TO A
LINE FROM OUTSIDE THE R/W. A
PERMITTED ONLY AT STA. 15+40.

ACCESS NOTE

WATER BORNE TRAFFIC MOVEMENT WILL BE PERMITTED UNDER THE HIGHWAY STRUCTURES AS CLEARANCE PERMITS FOR THE DUMAMISH WATERWAY

JOSEPH R. McLAUGHLIN'S WATER FRONT
ADDITION TO THE CITY OF SEATTLE

SEAPORT ADDITION TO THE CITY OF SEATTLE

LEGEND

ACCESS TO BE PROHIBITED SHOWN THRU

PROPERTY OWNERSHIP NUMBERS

PROPERTY LINES

0 50 100
SCALE IN FEET

ALL PLANS ARE SUBJECT TO CHANGE
SR 99 MP 25.96 TO MP 27.18
DUWAMISH WATERWAY VICINITY

OF
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KING COUNTY

RIGHT OF WAY AND LIMITED ACCESS PLAN
FULL CONTROL

STATION MM 23+50 TO STATION LS 401+00

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
OLYMPIA, WASHINGTON



EXPIRES NOV. 08, 1994
STATE DESIGN ENGINEER

APPROVED JANUARY 7, 1994
SHEET 4 OF 11 SHEETS

SR 99 MP 25.96 TO MP 27.18
DUWAMISH WATERWAY VICINITY

KING COUNTY
RIGHT OF WAY AND LIMITED ACCESS PLAN
FULL CONTROL
STATION LS 401+00 TO STATION LS 410+00
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
OLYMPIA, WASHINGTON



EXPIRES NOV. 08, 1994
STATE DESIGN ENGINEER

APPROVED JANUARY 7, 1984
SHEET 5 OF 11 SHEETS

OWNERS

OWNERS